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TELEPHONE COMPANY, A SERVICE OF TELE-SYS, INC.

October 28, 2003

T.R.A. DOCKET ROOM

RECEIVED **RON JONES**

OCT 3 D 2003

TN REGULATORY AUTHORITY

Ron Jones Director Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0505

Dear Mr. Jones:

In response to Docket No. 03-00502 request for response to inquiries regarding Tennessee Code Annotated § 65-21-114, I submit the following.

1. Describe the manner in which you are able to provide telecommunications service in compliance with TCA § 65-21-114(a): Access America Telephone Company provides local and long distance telephone service in Tennessee and is in compliance with TCA § 65-21-114. For local calls, all calls that originate and terminate within a county are classified as local calls in the call detail records and are not billed to customers as toll calls. For 1+ long distance telephone calls, the calls are billed to customers as toll calls, unless the call originates and terminates within a county. We have written custom software in-house for our billing system to discard call detail records for these types of calls (using primarily NPA-NXX originating and terminating information). In cases where a customer complains that a call should be toll-free, we investigate and issue manual adjustments as needed until the in-house software can be modified to discard the appropriate call detail records.

- 2. Identify any technical, operational, administrative or other difficulties encountered when attempting to comply with TCA § 65-21-114(a):
- Access America encounters several difficulties with regards to 1+ long distance intracounty telephone calls:
- a. time and effort required to maintain the in-house software and add additional capabilities to discard call detail records, which is the street of the capabilities to discard call detail records,
- b. operational difficulties resulting from the use of staff time to investigate whether a call is intra-county.
- c. financial loss from the mability to bill for those call detail records,

- d. financial loss from the requirement to pay for those calls either: i) in the form of access charges to the local exchange carrier in the case of facilities-based 1+ services or ii) the underlying carrier in the case of switchless resale of 1+ services.
- 3. Provide a suggestion for how this workshop should proceed. I respectfully suggest that the workshop include the following issues:
- a. How to consistently determine that calls within a county originated by a local exchange carrier and terminated by different local exchange carrier are designated correctly as intra-county.
- b. Since calls that originate and terminate within a county but across a LATA boundary (Intra-State, Intra-County, Inter-LATA) are subject to TCA § 65-21-114(a) and thus are to be considered toll-free and not charged to the customer, how is the revenue for that call and the cost of carrying the call to be recovered by the long distance carrier? The current situation requires the long distance carrier to pay for the call and not charge the end-user. One possible solution could be that the long distance carrier refrains from charging the end-user and in addition, the local exchange companies refrain from billing access charges to facilities-based long distance carriers for such calls (and the underlying wholesale long distance carrier refrains from billing the switchless long distance reseller for such calls). Another solution could be that the local exchange companies continue to bill access charges for these calls (and the underlying wholesale long distance carrier continues to bill the switchless resellers for calls), and some mechanism could be implemented for the long distance carrier to cover the cost of such calls, for instance a flat-rate charge could be authorized to be placed on all end-user long distance bills to cover the cost of these calls.
- c. In addition to calls between the local telephone companies and long distance carriers, it would be helpful if the workshop could also address calls from/to the cellular carriers as well as any other providers of voice services over other technologies such as voice over internet protocol (VoIP).

I apologize for the tardiness in our response, your original request letter was inadvertently filed rather than being responded to and then filed.

Sincerely.

Vice President